

Agenda Date: 7/9/03 Agenda Item: IIIB

## STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF	) <u>RENEWAL</u>
CABLEVISION OF OAKLAND, LLC FOR	) CERTIFICATE OF APPROVAL
RENEWAL OF A CERTIFICATE OF APPROVAL	)
TO CONTINUE TO OPERATE AND MAINTAIN	)
A CABLE TELEVISION SYSTEM IN THE	)
BOROUGH OF PARK RIDGE, COUNTY	)
OF BERGEN, STATE OF NEW JERSEY	)

**DOCKET NO. CE03040260** 

Schenck, Price, Smith & King, Morristown, New Jersey, by James Eric Andrews, Esq., for the Petitioner.

Borough Clerk, Borough of Park Ridge, New Jersey, by Helen Beer, for the Borough.

## BY THE BOARD:

On April 23, 1980, the Board granted Micro-Cable Communications Corp. d/b/a UA-Columbia Cablevision of New Jersey ("UA-Columbia") a Certificate of Approval, in Docket No. 7948C-6462, for the construction, operation and maintenance of a cable television system for the Borough of Park Ridge ("Borough"). Subsequently, UA-Columbia underwent internal restructuring and was doing business as United Artists Cable of New Jersey ("United Artists"). On December 24, 1991, the Board granted United Artists a Renewal Certificate of Approval for the Borough in Docket No. CE90030241. In Docket No. CO92080822, United Artists informed the Board that it would do business as TCI of Northern New Jersey ("TCINNJ"). On November 16, 1992, the Board approved the petition and recognized the name change. TCINNJ underwent further restructuring and informed the Board that it would no longer use the name Micro-Cable Communications Corp. and would now use the corporate name of TCI of Northern New Jersey, Inc. ("TCINNJ, Inc.").

On December 17, 1997, the Board approved the transfer of the Certificate of Approval for the Borough from TCINNJ, Inc. to Cablevision of Oakland, Inc. ("Cablevision"), in Docket No. CF97090674. On January 25, 2002, Cablevision informed the Board that, as part of an

internal reorganization approved by the Board on January 3, 2002, in Docket No. CO00030182, it would now be known as Cablevision of Oakland, LLC ("Petitioner"). Although the Petitioner's above referenced Certificate expired on April 23, 2000, it is authorized to continue to provide cable service to the Borough pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on July 30, 1999, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Borough, after public hearing, adopted a municipal ordinance granting renewal consent on December 26, 2002. On February 4, 2003, the Petitioner formally accepted the terms and conditions of the ordinance in accordance with N.J.S.A. 48:5A-24.

On April 4, 2003, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Borough. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board **HEREBY FINDS** the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Borough reviewed these qualifications in conjunction with the municipal consent process.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is 15 years. The Board finds this period to be of reasonable duration.
- 5. The Borough has reserved the right to review the performance of the Petitioner with regard to the ordinance on an annual basis. If the Borough determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the Borough shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner 30 business days to investigate the matter and respond to the Borough's findings and 90 days to cure the deficiency. The Borough may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term, only after the 90 day opportunity to cure has passed and the deficiency has not been cured.
- 6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.

- 7. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Borough. In this case, it is the Borough Administrator. All complaints shall be received and processed in accordance with the applicable rules and the Borough's ordinance.
- 8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office is located at 40 Potash Road in the Borough of Oakland, New Jersey.
- 9. The franchise fee to be paid to the Borough is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Borough. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 10. The Petitioner shall install cable in all residences in the Borough at tariffed rates for standard and non-standard installation. Commercial establishments shall be constructed in accordance with the Petitioner's commercial line extension policy attached to this Certificate as Appendix "I". The Board notes here that the Petitioner included a residential line extension policy in its petition. This policy was not included in the application for municipal consent or in the Borough's ordinance, upon which this Certificate is based. Moreover, a residential line extension policy has never been employed in the Borough. Therefore, the Board declines to include a residential line extension policy in this Certificate.
- 11. The Borough's ordinance provides that the Petitioner is be required to complete an upgrade of the system serving the Borough to a minimum of 80 channels by December 31, 2002. The Petitioner has confirmed that the upgrade has been completed to 750 MHz, capable of carrying the minimum required channels.
- 12. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner provides two channels for PEG access use by the Borough and other entities in the region for non-commercial PEG access usage. In addition, the Petitioner shall maintain a program to insure the Borough shall have continued access to allow direct cablecasting from its existing municipal building located at 55 Park Avenue in the Borough.
- 13. Within 30 days from the date of issuance of this Certificate, the Petitioner shall provide the Borough with \$12,000.00 of PEG access equipment. Within 180 days from the date of issuance of this Certificate, the Petitioner shall provide the Borough with an additional \$10,000.00 in PEG access equipment. Upon completion of each component of this provision, the Petitioner shall submit proof to the Office of Cable Television indicating its compliance with this provision.

- 14. The Petitioner also maintains access studios for use by interested groups for production of PEG access programming which shall have the minimum equipment and hours as specified in the ordinance. Use of the access studios, equipment and editing facilities shall be available free of charge to interested groups on a first-come first-served basis. The Petitioner also provides some remote equipment for use on field shoots. The Petitioner provides technical advice and assistance free of charge.
- 15. Upon request by the Borough, the Petitioner shall provide free access training for Borough residents and interested groups.
- 16. The Petitioner shall provide the standard installation and monthly basic and family cable service, free of charge, to all municipal buildings in the Borough. The Petitioner shall also provide the standard installation and monthly basic cable service, free of charge, to the following locations in the Borough: a) each state accredited public and private school; and b) the public library.
- 17. The Petitioner shall provide, free of charge, one high-speed cable modem and monthly Internet access service, including standard installation, to the following locations in the Borough: a) each state accredited public and private primary and secondary public school in the Borough; and b) the municipal library.
- 18. The Borough's ordinance requires the Petitioner to provide a senior citizens discount within the Borough in the event the Petitioner implements a senior citizens discount program within its system. The Petitioner currently offers the discount to several municipalities in its system and has confirmed that it shall implement a senior citizens discount in the Borough in the amount of 10% off the monthly rate for basic service for senior citizens who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled ("PAAD") program, as allowed by N.J.S.A. 48:5A-11.2.

Based upon these findings, the Board **HEREBY CONCLUDES**, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 et seq., that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is **HEREBY ISSUED** this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u>, including but not limited to, the technical standards of 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire on April 23, 2015.

DATED:	July 9, 2003		BOARD OF PUBLIC UTILITIES BY:
		(signed)	
		JEANNE M. FOX PRESIDENT	
(signed)			(signed)
FREDERICK F. BU COMMISSIONER	ITLER		CAROL J. MURPHY COMMISSIONER
(signed)			(signed)
CONNIE O. HUGH COMMISSIONER	ES		JACK ALTER COMMISSIONER
ATTEST:			
(signed)			
KRISTI IZZ SECRETAR			